

109TH CONGRESS
2D SESSION

H. R. 5154

To amend the Internal Revenue Code of 1986 to allow a credit against
tax for teleworking.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2006

Mr. POMBO introduced the following bill; which was referred to the Committee
on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow a
credit against tax for teleworking.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Traffic Reduction
5 Through Technology Act of 2006”.

6 **SEC. 2. CREDIT FOR TELEWORKING.**

7 (a) IN GENERAL.—Subpart B of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 (relating to other credits) is amended by inserting
10 after section 30C the following new section:

1 **“SEC. 30D. CREDIT FOR TELEWORKING.**

2 “(a) GENERAL RULE.—There shall be allowed as a
3 credit against the tax imposed by this chapter for any tax-
4 able year an amount equal to the telework tax credit.

5 “(b) TELEWORK TAX CREDIT.—For purposes of this
6 section—

7 “(1) QUALIFIED EMPLOYER.—In the case of a
8 qualified employer, the telework tax credit is an
9 amount equal to the sum of—

10 “(A) \$1,000 per qualified employee who
11 teleworks 5 days a week,

12 “(B) \$800 per qualified employee who
13 teleworks 4 days a week,

14 “(C) \$600 per qualified employee who
15 teleworks 3 days a week,

16 “(D) \$400 per qualified employee who
17 teleworks 2 days a week, plus

18 “(E) \$200 per qualified employee who
19 teleworks 1 day a week.

20 “(2) QUALIFIED EMPLOYEE.—In the case of a
21 qualified employee, the telework tax credit is \$250.

22 “(c) LIMITATION PER QUALIFIED EMPLOYER.—In
23 the case of a qualified employer, the amount of the
24 telework tax credit for a taxable year shall not exceed
25 \$15,000.

26 “(d) DEFINITIONS.—For purposes of this section—

1 “(1) QUALIFIED EMPLOYER.—The term ‘quali-
2 fied employer’ means an employer who employs 1 or
3 more qualified employees.

4 “(2) QUALIFIED EMPLOYEE.—The term ‘quali-
5 fied employee’ means an individual—

6 “(A) who is employed by the individual’s
7 employer for not less than 6 months during the
8 taxable year,

9 “(B) who performs services for such em-
10 ployer under a teleworking arrangement during
11 the taxable year,

12 “(C) whose traditional worksite is located
13 not less than 20 miles from the individual’s res-
14 idence, and

15 “(D) who has not been treated as a quali-
16 fied employee with respect to such employer
17 during a preceding taxable year.

18 “(3) TELEWORKING ARRANGEMENT.—The term
19 ‘teleworking arrangement’ means an arrangement
20 under which an employee teleworks for an employer
21 not less than 1 day per week.

22 “(4) TELEWORK.—The term ‘telework’ means
23 to perform work functions, using electronic informa-
24 tion and communication technologies, thereby reduc-

1 ing or eliminating the physical commute to and from
2 the traditional worksite.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 for subpart B of part IV of subchapter A of chapter 1
5 of the Internal Revenue Code of 1986 is amended by in-
6 serting after the item relating to section 30C the following
7 new item:

“Sec. 30D. Credit for teleworking.”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2006.

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